



Final, May 14, 2019

**INTERNATIONAL ACTUARIAL ASSOCIATION
Executive Committee (EC) Meeting
Conference Call
April 16, 2019 – 7 a.m. EDT
Minutes**

Present

Gábor Hanák, Chairperson
Tonya Manning, President-elect
Masaaki Yoshimura, Past President
Charles Cowling (*left 30 minutes into the call*)
Alf Gohdes
Régis de Laroulière (*left 70 minutes into the call*)
Jerry Brown
Ken Hohman
Roseanne Harris
Tomio Murata

Regrets

Cathy Lyn

Secretariat

Mathieu Langelier, Executive Director
Norah Neill, Executive Assistant
Carol Ann Banks, Director, Operations and Finance
Christian Levac, Director, Communications & Membership
Amali Seneviratne, Director, Technical Activities

Chairperson Gabor Hanák called the meeting to a start at 7:04 a.m. EDT. The EC approved the agenda as presented.

1. Final Decisions the recommendations of the Renewal Task Force (RTF)

The EC received the RTF's proposal in advance of the call. RTF Chair Charles Cowling thanked the EC members for their feedback they had submitted so far through email. The EC was reminded that the report is not for approval in Washington, it is for discussion and to bring Council up-to-speed on the RTF's progress. The EC will be seeking affirmation of direction, guidance on high level issues, as well as concerns from Council in Washington. After Council gives its feedback in Washington, the RTF will take it forward and work on the remaining elements to address.

During discussions on the number of observers on the future Strategic Planning Committee (SPC), one EC member indicated that they would not support the proposal of Option Two of the RTF recommendations (i.e. starting the SPC with an unlimited number of observers with the option of limiting the number of observers should the work of the SPC become ineffective); instead in this view the preferred way would be to start the work of the SPC with a limited number of observers (Option One of the RTF paper). The RTF has shown a great majority for Option Two; however, there is a strong minority view for unlimited observers (with no option to limit), and this will be conveyed to Council.

It was suggested that RTF and EC should take a formal vote on the proposal and record it. This will provide clarity for Council on such a large and important undertaking. The RTF is united to support its report overall/on a high level (with the marked two options on the number of observers to the SPC) but not on every detail so to obtain a formal vote from the RTF on all details of the RTF proposal would be difficult.

Both the RTF and the EC papers on the top-down governance proposal will be submitted to Council for its Washington meeting. EC voted on Option Two of the RTF paper. All but one EC member supported Option Two and EC agreed that the result of this decision should be incorporated into the EC report.

2. IAA Section Related Issues

The Section chairs met with Gabor, Mathieu Langelier, as well as Committee Chairs, some EC members and Committee chairs who attended Cape Town for the Colloquia. The meeting was to continue discussions on the role of IAA Sections as internal divisions in the IAA and to determine the best approach regarding the idea of the future Communities. A paper endorsed by EC was circulated to Section chairs prior to the meeting in Cape Town; however, due to technical difficulties the paper had not reached all Section chairs. The discussion on the paper will be postponed to the meeting in Washington. Nevertheless, there was good discussion in Cape Town. The RTF had some discussion on including one Section representative on the SPC as an observer, but there was no agreement on this. The role of the Sections inside the future IAA will be discussed by the RTF, as there have been little detailed discussions on this up to now.

The Sections were offered a time slot at the Presidential Town Hall in Washington to present the current activities of the Sections and how those activities contribute to serve the mission of the IAA. The Section leadership accepted and appreciate the opportunity.

The next step is the Officers and EC members who can attend, will meet with the Section leadership in Washington and the basis of discussion will be the EC endorsed paper already sent to Section chairs. The Secretariat will send calendar appointment to EC for the meeting with Section chairs.

3. Approve: Nominations Committee (NC) Recommendations to fill immediate vacancies

Chair of the NC, Masaaki Yoshimura, presented the committee's recommendation to EC to fill the below immediate vacancies.

- a. **Enterprise & Financial Risk, Lindsay Smartt (Australia), Vice-Chair**
- b. **Resource & Environment Working Group, Micheline Dionne (Canada), Vice-Chair**
- c. **ASTIN Section, Bob Conger (US), IAA Delegate**

The EC made these appointments and will seek Council ratification.

4. Recommendation: Supranational Organizations Relationship Managers

Alf Gohdes and Cathy Lyn (working closely with the Secretariat) have been reviewing how the IAA governs its relationships with supranational organizations. At the EC's last meeting on March 26, there were urgent issues brought to EC seeking immediate approval. Those points were addressed and approved. For this meeting, the EC's approval was needed to move ahead on the tier 1 agreement that had been reached last time for new relationship managers to the IASB and IAIS to be installed.

- IASB: It was noted that there needs to be follow-up to ensure the transition from Micheline Dionne (currently serves on IFRS Advisory board as a representative of IAA) to Andrew Chamberlain.
- IAIS: The EC was informed that an internal planning session with our key volunteers and the Officers is planned for Washington. There will be discussion on who will be the new relationship manager to the A2ii and a plan to transition the IAIS responsibilities to Stuart Wason.

The EC approved to move the tier 1 agreement forward.

Moving forward tier 2 is the next step. Cathy and Alf (working closely with the Secretariat) will start work on these relationships and come back to EC with proposals. As this work will need to include discussions with volunteers outside the EC, a task force will be created which will require Terms of Reference. The EC can expect to receive the draft ToRs by the end of April. The anticipated timeline will be 2 months spent contacting and discussion replacements. The EC will receive the interim report by the middle of June. The EC approved this plan.

5. **Approve: Minor correction to ISAP 1**

The EC reviewed a cover note explaining the background of this topic and also reviewed the correction to ISAP 1. The EC approved the typographical changes to ISAP 1 and this will be on the Council agenda in Washington for their information.

6. **Internal Regulations/Process to Follow During Council**

This topic came out of the Council meeting in Mexico City (December 2018) where some members wanted to amend motions on the Council agenda.

The EC was sent a proposal to revise the Internal Regulations in order to clarify related matters. These had been drafted by Mathieu with the help of the legal Counsel of a few FMAs. The key proposed revisions are explained below.

- Add definitions for clarity. For example, the current Internal Regulations do not define terms such as Motion or Council Meeting.
- Consider reducing the notice period from 60 days to 30 days and the period for modifications to the Council agenda from 30 days to 10 days. It is being questioned, however, if this still makes sense in modern days now, to have such lengthy delays?
- Clarify that motions cannot be amended during Council meetings; motions can only be withdrawn. The current wording is unclear and has led to recent confusion.

The EC was supportive to change the 60-day agenda to 30-day and the 30-day agenda to 15 days (10 days is considered too short).

Some of the wording needs to be fine-tuned. For example, the revisions state the agenda can be amended “up to” XX days, the wording needs to be “at least” or “no later than” and not “up to”. This will be clarified along with other wording following the feedback received in Washington. This will be recirculated to EC and be issued to Council for their meeting in Washington for discussion. No vote is required on this matter in Washington.

7. **March 26 Minutes**

The EC agreed to mark the March 26 minutes as final.

8. **Finances**

The financial documents below were presented to EC.

a. **2018 Audited Financial Statements**

It was pointed out that the A&F is the committee responsible for this document and it has already recommended it for approval to Council; EC is only informed. The 2018 Audited Financial Statements will be proposed to the Washington Council meeting for approval.

The deficit was lower than anticipated. Some of the variances are directly related to Section operations. The EC needs to work on its oversight of Sections, notably at the budget stage and monitoring actuals vs the budget as these have direct impacts on the Financial Statements.

b. **2020 Budget**

No major changes in the preliminary budget, forecasting small surplus.

The EC wanted more time to review. It was agreed the EC would send their comments to the Secretariat within 24 hours of this call. EC members were reminded that this preliminary budget is not for approval, it is always presented at the first meeting of the year to get feedback from FMAs and the final version is presented for approval only at the second meeting of the year.

9. Washington Meetings

a. Pre-Council Webinar

This will take place on April 24 and will discuss important topics on the agenda for the Washington Council meeting including the renewal process.

b. 30-day Council Agenda

The EC noted the few changes to the 30-day agenda and raised no major concerns.

10. Other Business

There was no other business to discuss.

11. Next Meeting and Adjournment

The next EC meeting is in-person on Tuesday, May 14 14:30–18:00 and Sunday, May 19 08:30–12:30 May 15 at the Mayflower hotel in Washington, D.C., US. Gabor thanked the EC members for their participation and adjourned the meeting at 9:08 a.m. EDT.

Respectfully submitted, Mathieu Langelier